

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7209**

**BILL NUMBER:** SB 418

**NOTE PREPARED:** Feb 15, 2013

**BILL AMENDED:** Feb 14, 2013

**SUBJECT:** Financial Literacy Instruction.

**FIRST AUTHOR:** Sen. Waltz

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1st House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill requires financial literacy instruction in grade 6 through grade 12 in school corporations.

The bill establishes a task force to develop guidelines and model curricula for financial literacy instruction. It establishes a state resource program for financial literacy.

The bill establishes the Financial Literacy Grant Fund to assist public schools, including charter schools, in implementing financial literacy instruction.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** (Revised) The bill creates the Financial Literacy Task Force to develop guidelines and model curricula in financial literacy instruction.

The task force would consist of 12 members appointed by the Superintendent of Public Instruction. The members are eligible to receive reimbursement for travel expenses but not salary per diem. The task force is required to provide an annual report to the Department of Education and State Board of Education by April 1 each year. The travel cost for the task force would probably be minor.

The bill also creates the Financial Literacy Grant Fund to make grants to schools to implement financial literacy instruction. The fund would consist of appropriations by the General Assembly, gifts, donations and grants. The bill does not make an appropriation to the fund.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) School corporations should be able to provide financial literacy instruction within their funding for curriculum development. School corporations may have to substitute some courses to implement financial literacy instruction if it is a separate course, but it can also be incorporated into other appropriate subjects, including mathematics, social studies, business, family and consumer sciences, and economics. Charters schools are not required by the bill to provide financial literacy instruction.

Instruction provided to students must be age appropriate and include the following areas:

1. Developing financial responsibility.
2. Managing personal finances.
3. Using credit and incurring debt.
4. Understanding savings and investing.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** School corporations.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.